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Rec'd: June 25, 1954 2:11 a.m.

DEPARTMENT OF STATE
BUREAU OF
INTER-AMERICAN AFFAIRS
JUN 25 1954

FROM: Managua

TO: Secretary of State

NO: 230, June 24, 9 p.m.

Committee of board directors Conservative Party called to renew pledge of party support US against Communism. Expressed opinion that revolt was going badly in Guatemala and that was encouraging to Reds and anti-Americans in Latin America. Predicted if revolt failed, US troubles in Latin America would be greatly multiplied not because of belief we are materially supporting rebels but because knowledge our opposition Arbenz Communist government. They said failure of revolt would be victory for Communism therefore loss US prestige. Head independent Liberal Party also called to renew his party's support US. He also critical of rebels activities, expressed fear that failure revolt would spread Communism this area. Numerous individuals called to express theme that "rebels simply must win." Local Americans report "our stock at lowest possible ebb." General feeling now is opposition to meddling by Security Council and peace committee and ardent hope for reinforcement revolutionaries who certainly now have moral support of great majority Nicaraguans of all parties. Most local diplomats feel that overthrow of Arbenz government imperative to discourage Communists other Latin countries.

WHELAN

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